

From: cisaacsrealtor@inreach.com [mailto:cisaacsrealtor@inreach.com]
Sent: Friday, October 21, 2005 7:40 PM
To: ATR-Real Estate Workshop
Subject: Competition and the real estate workshop - comment Project No.
VO 50015

Ladies and gentlemen,

I have been a full-time Realtor for 41 years, and I can tell you from that ulcer-producing, sweat-inducing, backbreaking and emotionally draining experience: THERE HAS NEVER BEEN A MORE COMPETITIVE TIME IN THE REAL ESTATE PROFESSION. Even here in California, with its stricter-than-most states examination process, the EASE OF ENTRY into this business is ridiculous. At all times, there are more than enough practitioners to keep competition keen.. and when we have a powerful market like that of the last 3-5 years, everybody who can fog a mirror with their nose jumps into real estate expecting the "easy money". In my community where 400-500 active licensees would ensure active competition, we now have over 1000 folks out there beating the bushes. They reduce commissions (competition produces lower consumer costs), they offer incentives like free credit reports, home warranties, pest and roof inspections (again consumers benefit), and I could go on and on. Also, of course, we have the widespread discount commission business models (unheard of even 20 years ago).. with commissions in my market of as low as \$2495 flat fee! This isn't competition? I implore you... DO NOT REDUCE THE INCENTIVE (AND THEREBY THE ABILITY) FOR FAMILIES TO OWN THEIR OWN HOME! We all know that neighborhoods made up of owners take more pride in their property, vote in higher percentages, participate in their communities more fully, and are more self-sufficient during their working lives and in retirement (due to the equity buildup in their homes).. compared to renters. We don't want to be a nation of "haves" and "have-nots" any more than we are now. Check the Social Security Administration's statistics - they show that the biggest single asset that most retirees have is the equity in their home. Don't jeopardize homeownership. Retain the interest deductions on loans secured by real estate! Thank you for your attention.

Sincerely yours,

Carl Isaacs, CRS, GRI